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C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002011

SIPDIS

DEPARTMENT FOR SCA/INS, DRL

E.O. 12958: DECL: 04/25/2017

TAGS: [PGOV](#) [PTER](#) [PREL](#) [PINR](#) [KDEM](#) [PK](#) [IN](#)

SUBJECT: FS MENON'S COMMENTS POINT TO RISING TENSION IN
INDO-PAK RELATIONS

REF: A. NEW DELHI 01821

[B](#). NEW DELHI 01799

[C](#). SECSTATE 76370

Classified By: PolCouns Ted Osius for Reasons 1.4 (B, D)

[1](#)1. (C) SUMMARY: On July 21, Indian Foreign Secretary Shivshankar Menon voiced allegations of Pakistan involvement in the July 17 bombing of the Indian Embassy in Kabul, on the heels of the fifth round of the Indo-Pak Composite Dialogue (CD) with Pakistan Foreign Secretary Salman Bashir earlier that day. Press reports claim that both countries built on progress made during Foreign Minister-level meetings in Islamabad in May 2008 (Ref B), and in New Delhi in June 2008 (Ref A). However, the Indian Embassy terrorist incident, in addition to the reported resurgence of Pro-Pakistan militants in Jammu and Kashmir (J&K), indicate rising tensions in the bilateral relationship.

[1](#)2. (C) SUMMARY (continued): Embassy delivered Ref C points to the Ministry of External Affairs (MEA) on July 21, and will follow-up on July 23 with officials who are directly engaged in the CD and other Indo-Pak talks. END SUMMARY.

Hope for Progress at the CD

[1](#)3. (SBU) Pakistan Foreign Secretary Salman Bashir and Indian Foreign Secretary Shivshankar Menon completed the fifth round of the Indo-Pak Composite Dialogue (CD) on July [1](#)21. Both Secretaries expressed joint interest in addressing counter-terrorism efforts, specifically the on-going violence in J&K and the regional terrorist threat. These talks follow bilateral meetings between Indian Foreign Minister Mukherjee and Pakistani Foreign Minister Qureshi in Islamabad in May 2008, and in New Delhi in June 2008, and both sides expressed hope for continued progress at the Foreign Secretary-level CD reiterating in Indian press the importance of a "peaceful atmosphere on both sides."

[1](#)4. (U) Other bilateral issues were also discussed at the CD, including economic and commercial cooperation, and cross-border transportation. As reported in Indian press, both sides agreed to a slew of cross-Line of Control (LOC) Confidence Building Measures (CBMs), particularly increased frequency of Srinagar-Muzaffarabad and Poonch-Rawalkot bus services starting late August. Both sides also agreed to facilitate access along the Uri-Hajipr border.

According to Menon, Pakistan Complicit in Terrorist Attacks

15. (U) During a press conference separate from Bashir on July 21, Menon said that both sides had a "frank discussion" on security, and admitted the Indo-Pak dialogue is "under stress." Menon raised alleged Pakistani violations of the ceasefire agreement along the LOC, cross-border terrorism and alleged incitement of violence. This follows a recent rise in terrorist incidents in the Kashmir valley, including a landmine attack on July 19 killing ten Indian soldiers and a tourist resort explosion on July 20 killing one tourist and one security guard. Perpetrators of the attacks are believed to have links with the Pro-Pakistan militant group Hizbul Mujahadeen. Menon told reporters that talks were coming at a "difficult time" in India's relationship with Pakistan and that recent public statements by Pakistani politicians reverted to "old polemics."

16. (U) Menon added that strains in the Indo-Pak relationship culminated in the July 17 suicide bombing targeting the Indian Mission in Kabul. He echoed earlier Indian officials' allegations that Pakistan's Inter-Services Intelligence (ISI) agency was involved in the attack, which

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resulted in over 40 reported deaths including four Indians. He noted that on-going Indian-led investigations point towards "a few elements in Pakistan behind the blast."

Pakistan Points to Counter-terrorism Credentials

17. (U) When asked about the Kabul bombing in a separate news conference, Bashir defended Pakistan as being at the forefront of regional counterterrorism efforts and blamed Afghanistan for instigating accusations of ISI involvement. He then mentioned that India's critical statements failed to recognize the Pakistan government's counter-terrorism efforts in Baluchistan and the Federally Administered Tribal Areas (FATA), where more than 100,000 troops continue to fight Islamic insurgents. "Please do not create impediments. I am not saying this to India but to the International Community...Please do not make statements that make it difficult for us to address the issues at hand," Bashir told local press.

18. (C) PolCouns delivered Ref C points on July 21, and Poloffs will meet with the MEA Pakistan Desk Director on July 23 to follow up and get a full readout on CD discussions.

Comment: Strained Bilateral Relationship

19. (C) The fact that the CD took place, in spite of senior Indian officials' claims of Pakistan complicity in the Kabul bombing prior to the talks, indicates that both sides want dialogues to continue, even if it is halting. While talks did not result in resolute political and security outcomes, they underscored on-going diplomatic engagement between the two countries despite continued LOC violations and sorrow over the embassy attack. The upcoming South Asian Association for Regional Cooperation (SAARC) Conference hosted in Sri Lanka on August 2-3, in which both countries, Prime Ministers, Foreign Ministers and Foreign Secretaries will take part, will offer an opportunity for Indo-Pak officials to move the bilateral relationship forward. END COMMENT.
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